

AR46



WALL & REDEKOP  
1971 ANNUAL REPORT





## Wall & Redekop Corporation Ltd.

Head Office: 1070 West Broadway, Vancouver 9, B.C. Canada

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Pride in one's community is a very important ingredient in the formula for lasting success in our business. It is important because our business is serving people — people who, whether occupants or neighbors, want to be proud of the structures we develop, build, sell or manage in their communities.

Pursuit of the objectives implicit in this belief has its special rewards. The Chilcotin Court garden apart-

ment, built by Wall and Redekop in 1970 in the City of New Westminster, was selected by that city's Chamber of Commerce and City Planner as the first winner of the "Royal City Builders Shield." The shield is awarded to the outstanding example of attractive esthetic quality among commercial and business developments in New Westminster; a salute for "keeping our city Royal through beautification and betterment."

## 1971 Highlights

	1971	1970	1969	1968
Operating Revenues .....	\$12,345,895	\$13,497,194	\$13,185,146	\$12,330,236
Operating Expenses .....	\$10,295,087	\$10,919,503	\$10,792,379	\$10,732,850
Earnings before taxes .....	\$ 579,143	\$ 1,455,612	\$ 1,772,326	\$ 996,290
Net earnings .....	\$ 280,888	\$ 725,727	\$ 866,172	\$ 609,628
Earnings per common share, after deferred tax .....	15c	40c	47c	33c
Earnings per common share, before deferred tax .....	28c	64c	56c	42c
Average common shares outstanding .....	1,831,340	1,831,340	1,831,340	1,831,340
Shareholders' Equity .....	\$ 4,334,238	\$ 4,236,484	\$ 3,510,757	\$ 1,195,204
Retained earnings at July 31 .....	\$ 2,881,645	\$ 2,783,891	\$ 2,058,164	\$ 1,191,992
Gross Real Estate Sales (est.) .....	\$44,284,074	\$46,768,144	\$50,000,000	\$22,916,254
Sales Staff at July 31 .....	140	188	150	25
Interest in rental properties (suites) .....	1,444	1,152	997	499
Rental properties under management (suites) .....	2,576	2,287	1,706	(est.) 1,000
Hotel Rooms .....	112	—	—	—





## President's Report



The outstanding performance of the Lumber Division of your Company was the brightest highlight of the fiscal year ended July 31, 1971. This division's sales were up 27% over the previous fiscal year and made a substantial contribution toward the profits earned by your Company.

In an economy which, for much of the period under review was weakened by inflation, high interest rates, growing unemployment and various other pressures, your Company still was able to expand within its existing Divisions and to add another Division with significant potential. Some projects which might have been undertaken under more normal economic conditions were postponed; thus reducing potential short-term gain but strengthening the longer-term prospects of our enterprise.

Profits were below those of a year ago, but the foundation for future earnings was strengthened and with noticeable change in the economic climate appearing during the latter part of the year under review, the outlook for the 1971-72 fiscal period is good. Of particular significance was the increasing activity in the residential real estate market, together with the fact that apartment and commercial property sales will benefit from the introduction of tax legisla-



tion which clarifies the Federal Government's intentions relating to real estate depreciation write-offs.

A reorganization of the Real Estate Division during the year, including the appointment of a General Manager to head it, and the bolstering of an already hard-working and successful sales force through selective additions and improved training, enhances this potential even more.

The new Division added to the Corporation's integrated operations is the Wall & Redekop Motor Hotel at 898 West Broadway, Vancouver. The Motor Hotel was opened for business on August 12, 1971. This is both a natural extension of our broad field of endeavour — which is serving the public — and a beginning toward greater involvement in the leisure and allied industries. With more facilities and services needed to fill desires of people with more leisure time, your Company is analyzing the feasibility of additional sites and elements with a view to expanding its activities in the recreational and hotel fields.

The Construction Division is expected to increase its activities from the pace of the past year. Several large apartment complexes were in the planning stages at the time of this report's preparation and negotiations were underway for a medium-sized office building and for commercial and warehousing projects. An early start on Shannon Mews, a substantial luxury housing development on property owned by your Company in the City of Vancouver, is expected if economic conditions continue to improve.

We are hopeful that a larger portion of the land held by the Company can be developed and brought to market during the 1971-72 fiscal year and that this will make a greater contribution to the over-all results of the Company than was possible in the year under review.

Your Directors have taken two very recent steps of significant interest. A dividend payment of 2½ cents a share has been declared on Common Shares, payable March 31, 1972, to shareholders of record on March 1, 1972. Your Directors also have approved the establishment of an audit committee as a further step to safeguard the interests of shareholders and other investors in the Corporation. This committee, to be comprised of Directors, will have the right to question the Company's external auditors without consulting management. A majority of the commit-

tee's members will be Directors who are not involved in the day-to-day management of the Corporation. Establishment of such committees is now required by law in the Province of Ontario and, while there is no similar requirement in British Columbia, it is the opinion of your Board that the Ontario practice should be adopted more widely.

### People are the Key

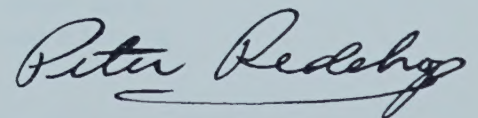
The calibre of its people is the key to the success of any business so directly involved in serving people as is ours. Your Company has been fortunate in attracting many capable and dedicated employees. Their pride in the community and in their own workmanship was recognized in part during the past year by the receipt of the Royal City Builders' Shield, described in our Cover Story.

Further significant strides have been made in this important "people" area during the past year, with several key management positions filled with capable individuals whose efforts enhance the performance of our total employee group.

Profitable and stable growth depends upon people and their individual and collective achievement — and the results of the past year, attained under difficult economic conditions — demonstrate the capability of your management team and the spirit of co-operation and enthusiasm evident among your Company's people.

The maintenance of this spirit, more than any other factor, will determine the future growth and success of your Company. We are well prepared to take advantage of the opportunities for growth presented by increasing urbanization with its attendant growth in housing, recreational and other needs your Company can fill. We look forward to significant improvement in earnings in the coming year.

The Board of Directors wishes to formally acknowledge the dedicated and enthusiastic effort made by the Corporation's employees.





## Wall & Redekop Realty

In the Real Estate Division, under the direction of Robert Lee, revenues for the year under review held up well in light of the variable business conditions which prevailed during the year. They compare extremely favorably to those of competitive organizations during the same period. These revenues totalled \$1,720,866, a change of less than 1% from the previous year.

During the latter half of the fiscal year ended July 31, 1971, an improving trend appeared in the real estate market in the areas of British Columbia we serve. This was due to growing confidence and less uncertainty on the part of home buyers. With a strengthened organization under the direction of General Manager Frank Kearney, we anticipate realty revenue will be substantially higher during the coming year.

The past year's reorganization included the consolidation of one realty service centre in Burnaby with that located on Kingsway in southeastern Vancouver. This was done to bring greater efficiency in serving areas of close proximity. The opening of additional service centres in areas of high potential which are not now fully serviced by existing Wall & Redekop Realty offices is under active study.

At July 31, 1971, six residential service centres were in operation, staffed by 120 sales people. These offices are strategically located to serve the Greater Vancouver area and adjoining municipalities in the Fraser Valley, the latter being served now through offices in Haney and Abbotsford.

Commercial sales are handled from the Company's head office on Broadway in Vancouver where 20 commercial salesmen were employed at the fiscal year end.



1. Training session for new sales personnel, conducted by Land Acquisitions Manager Dennis Facer.

2. Highrise apartment project on land assembled by Wall & Redekop. Frame building in background is being constructed by your Company.

3. General Manager Frank Kearney (standing) and President Robert Lee at regular weekly meeting of branch managers.





In a growing company such as ours it is important that our successful sales force be bolstered on a continuing basis. Improved management techniques and skills and improved training give existing and new employees opportunity to enhance their talents and potential. At the time of this report, approximately 40 additional people were involved in our training program.

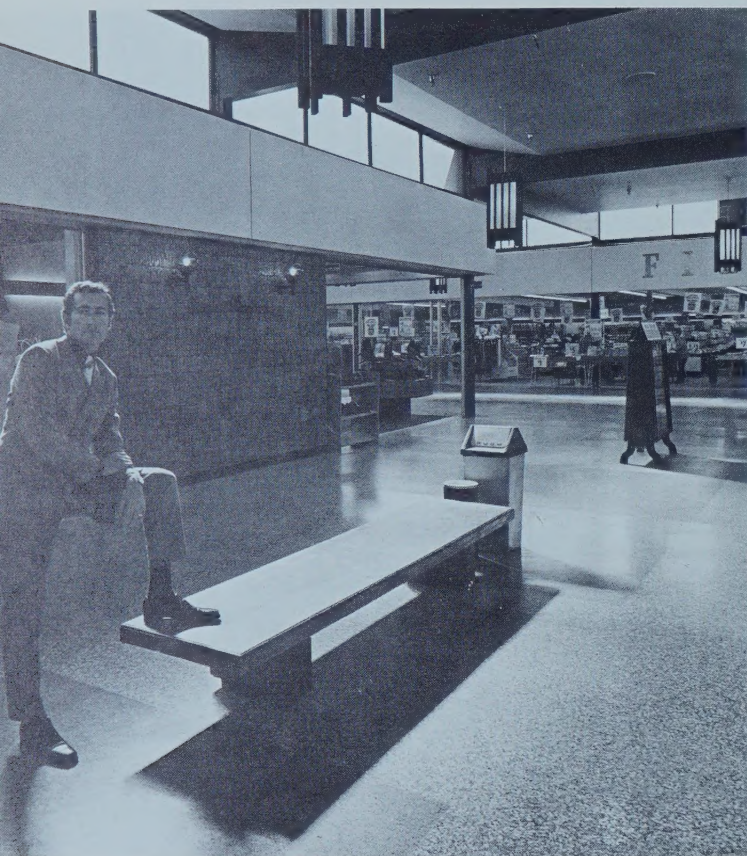
The Division's International Section, headed by David Lam, continues to operate successfully. It was responsible for several large sales during the year to investors from Southeast Asia — primarily Hong Kong and the Philippines. Included were sale of a \$3,000,000 apartment and commercial complex and

a \$4,900,000 medical and office centre. Investors from these areas have, in the past, focused attention on existing buildings. Now, with knowledge they've acquired about the Canadian market, the possibility has arisen for joint development ventures, and we are exploring these possibilities actively.

*4. Corporation President Peter Redekop addresses meeting of Realty salesmen.*



## Wall & Redekop Realty

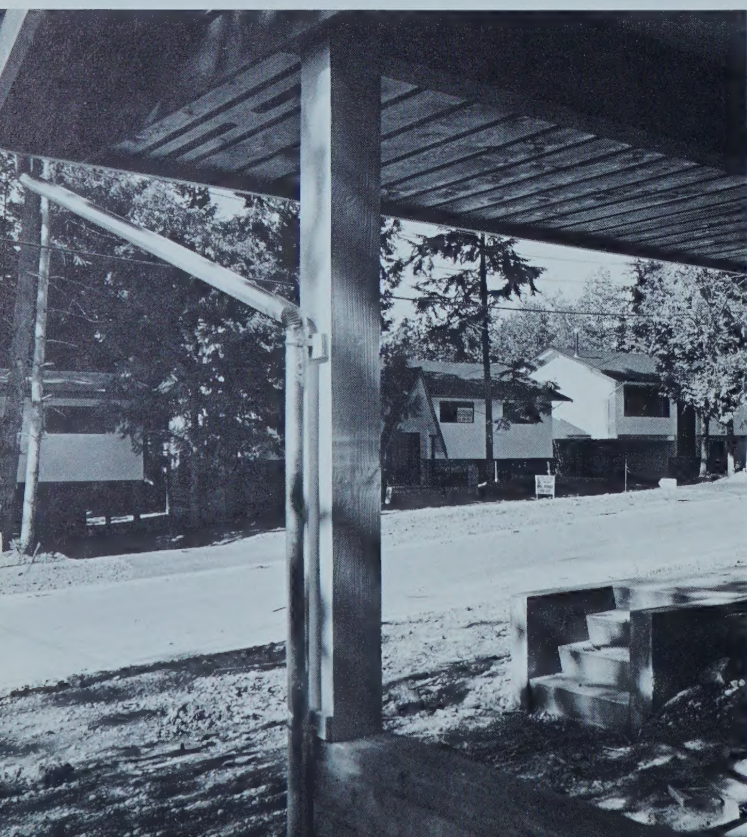


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### Property Management

The Property Management Division — headed by Ron McRae — currently has one of the largest portfolios of residential and commercial properties in B.C. The total number of suites has increased by 13% in a 12-month period to 2,576, contained in 50 apartment buildings. The Corporation owns 60% of the suites and the remaining 40% are administered on a fee basis for other owners. In addition, the Division manages two sizable shopping centres, a number of retail buildings and office blocks, having a combined total area of 400,000 square feet. Under Mr. McRae's direction a higher degree of management efficiency, resulting in considerable maintenance savings, has been achieved during recent months. This increased efficiency has now enabled the Division to actively engage in acquiring additional properties to manage on a fee basis.

*5. Properties Manager Ron McRae at Capilano Mall Shopping Centre in North Vancouver, B.C. This property is managed by your Company.*



6

### Land Development

In land assembly and development, a section now headed by Dennis Facer, several smaller parcels of land owned by the Company were developed during the year. Activity in this area is increasing as the residential realty market improves. The Company has plans for development of a subdivision of approximately 70 acres in a rapidly-growing region of the Lower Mainland. This project should yield about 300 lots suitable for family housing. A 325-acre parcel of recreational land is under study and may be developed and brought to market.

The Company's expertise in assembly of properties for single family dwellings, apartments and commercial projects offers potential for increased benefits to our sales force because it provides them with many new listing and sales opportunities.

*6. An example of the attractive residential areas developed by Wall & Redekop Realty Ltd.*



# Rental Portfolio



1

The Company's Rental Portfolio, which consists of properties owned by your Company, increased 25% to 1,444 suites at July 31, 1971, from 1,152 suites in the previous year. Rental revenue increased 19% to \$1,671,189 during the same period. It should be noted that several of the projects were completed only recently and, therefore, rental revenue has not been received for the full fiscal year.

This past spring a rent dispute arose involving a number of tenants occupying less than 5% of the company-managed suites. Your Company acted promptly and resolved the matter. This issue has not detracted from your Company's ability to attract suitable tenants to its buildings, as evidenced by the current vacancy rate of less than 1% for the buildings concerned.

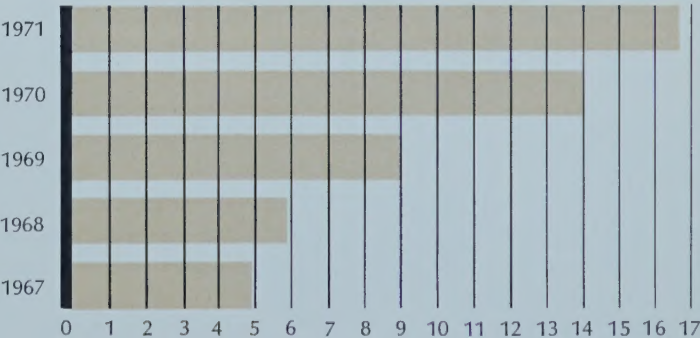
1. *The Beacon Hill, a 98-suite apartment building in North Vancouver.*

2. *The Briars, with 50 suites, is another example of Wall & Redekop apartment development in North Vancouver.*



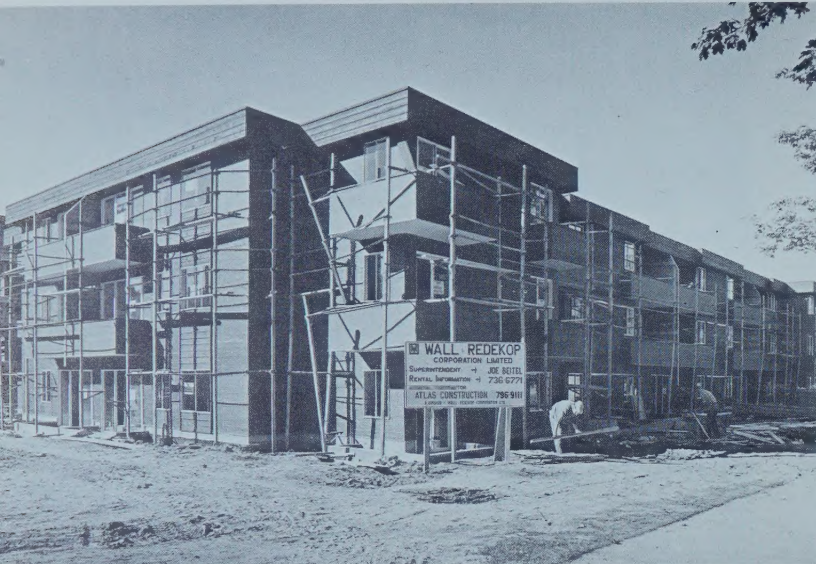
2

GROSS REVENUES—Rental (In Hundred Thousands)





## Construction Division



The Company's construction activity was at a moderate level during the year, reflecting the objective of achieving the best over-all results in light of prevailing economic conditions, including interest-rate levels. Construction revenues totalled \$2,985,815, compared with \$4,515,691 in the previous year.

Six apartment projects, containing 469 suites, were completed by the Division during the year and since the fiscal year ended it has completed the 183-suite Greenwood Gardens complex in Surrey. The Division took special pride in its construction of the seven-storey Wall & Redekop Motor Hotel in the record time of just six months. One floor of the concrete structure was poured every three days as the building went up. The Motor Hotel contains 112 guest rooms, underground parking and other facilities. Plans have been made for its expansion early in 1972 and this — together with an anticipated further reduction in interest rates will bring a substantial increase in the Construction Division's activities.

Among projects planned or in negotiation are a 250-suite garden apartment on eight acres of land in the greater Vancouver area, a medium-sized office building and commercial and warehouse projects.

1. Apartment construction at 1750 West 13th Ave., Vancouver.

2. A 45-suite apartment building between Oak and Granville in Vancouver, close to the downtown core.

3. The luxurious 185-suite Ambleside Tower in West Vancouver was completed during 1971.





## Farm Division

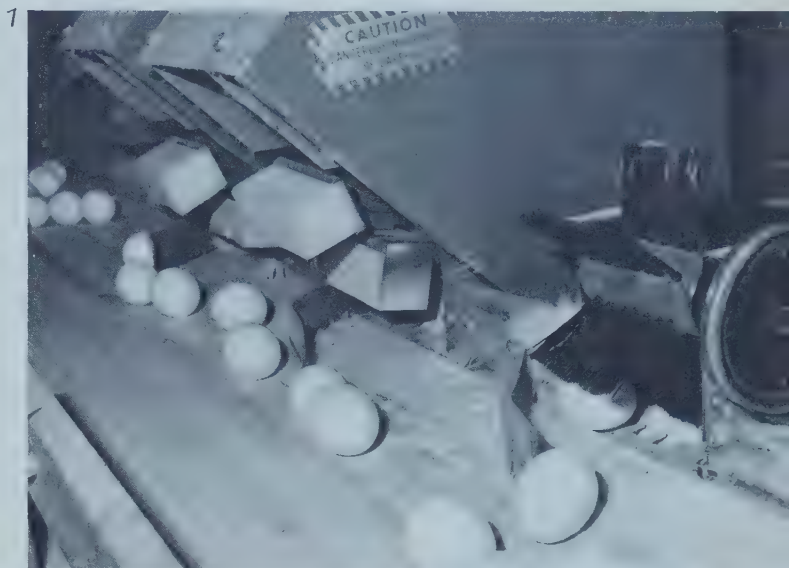
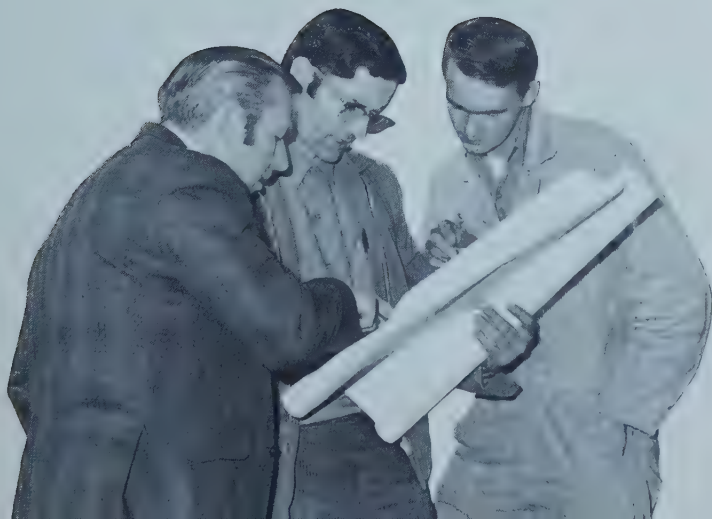
The Company's farming activities are centred in the Clearbrook-Abbotsford area of the Fraser Valley, with eggs and poultry the key products. During the year the Division undertook construction of a \$400,000 feed mill complex at Abbotsford. The mill will have a 100-ton-per-day capacity on a one-shift basis, and approximately half this capacity will be consumed by the Division's own flocks. The remaining capacity will be utilized as warranted by sales potential.

The Farm Division did not perform to expectations during the fiscal year, but its outlook is good in light of two major factors. One is a \$450,000 modernization program being carried out over a three-year period to reduce egg and feed wastes and costs. The other is an anticipated reduction in egg surpluses, this based upon Canadian Department of Agriculture statistics showing a reduction in the breeding of laying hens.

*1. Egg collection is now an almost fully-automated process.*

*2. Completion of a \$400,000 feed mill complex is expected in late 1971.*

*3. Jacob Redekop (left) and Peter Neudorf (right) discussing feed mill complex plans with member of project engineering staff.*





## The Wall & Redekop Motor Hotel

An attractive new facility was created for residents and visitors when the Wall & Redekop Motor Hotel was opened August 12, 1971 at 898 West Broadway, a site in south-central Vancouver overlooking the beauty of the city's downtown skyline and its North Shore mountains.

The Motor Hotel, containing 112 guest rooms and meeting and banquet facilities for up to 100 persons, offers lounge and dining facilities in the 96-seat "Peanut Section" and the 136-seat "Time-Out Room." Former B.C. Lions quarterback Joe Kapp is Promotional Director and his uncle, Juan Valencia, is Resident Host. The facilities have been well received by persons working and living in the area and by hotel guests. Rooms were fully occupied during the first three weeks the hotel was open.



1

2

1. A striking view of the Wall & Redekop Motor Hotel.
2. Attractive facade of the new hotel is out of the ordinary at any angle.







3

In the vicinity of the hotel there is a large population of medical and office personnel. Buildings with a total value of \$8 million were under construction within a one-block radius of the hotel at the time this report was prepared. This increased population will add greatly to the hotel's potential. The Company has an option on adjoining property and plans expansion early in 1972 to serve the public further with a full-facility hotel.

Additional locations for new hotels are under study and the Company is investigating the possibility of acquisitions in this field.

3. *Downtown skyline and North Shore Mountains provide stunning view from many of the 112 guest rooms.*



4

4. *Stylized clock at entrance to the Time-Out and Peanut Section suggests any time is an appropriate time for dining or relaxation.*

5. *Sports-oriented decor in the Peanut Section lounge is highlighted by regular showings of sports film clips.*

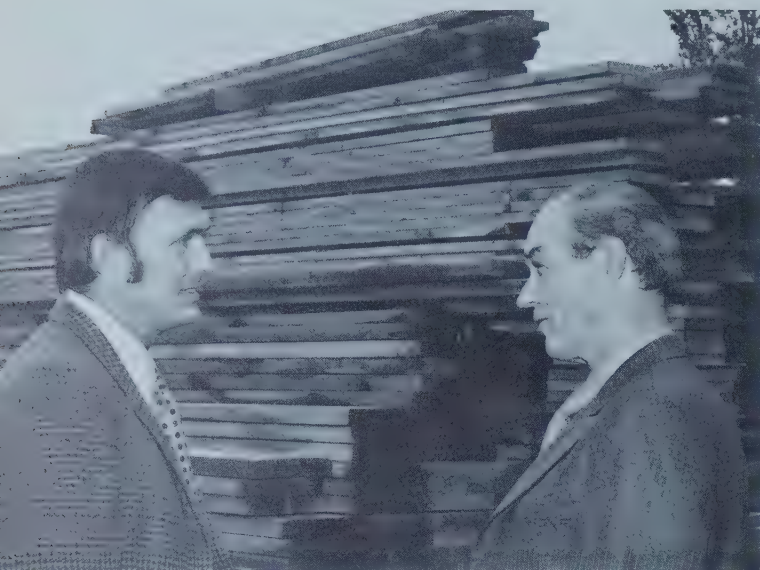
6. *Former B.C. Lions quarterback Joe Kapp, Promotional Director of the Hotel Division, with his uncle, Juan Valencia, Resident Host of the Wall & Redekop Motor Hotel.*

6





# Lumber and Building Products



1

The Company's Lumber and Building Products Division had its most outstanding year during the 12 months ended July 31, 1971. Revenues of the Division, which Ron Morris heads, increased by 27% to a total of \$4,731,761.

The Monocrest Kitchens section showed increased sales and profits and increased its estimated share of the apartment market to 45% from 20% in the previous year. The Monocrest factory operated at capacity for much of the period, producing cabinets for apartment suites. In addition, changes at the factory now have increased capacity and enabled us to produce a new line of cabinets designed to penetrate the single-family housing market. Opportunities available in this expansion, combined with the profitable present operations, promise an extremely bright future for the manufacturing section.



2

Drywall material sales also have become a significant aspect of this Division's operation and were at a satisfactory level. Cloverdale Lumber & Plywoods, managed by Ian McFall, serves both retail and contractor markets in the Lower Fraser Valley and also had an outstanding year. Continued penetration of this market in a rapidly-growing area is anticipated.

The general outlook for the Lumber & Building Products Division is excellent.

1. Division Manager Ron Morris with Jim McDonough, Manager of Sperling Lumber.

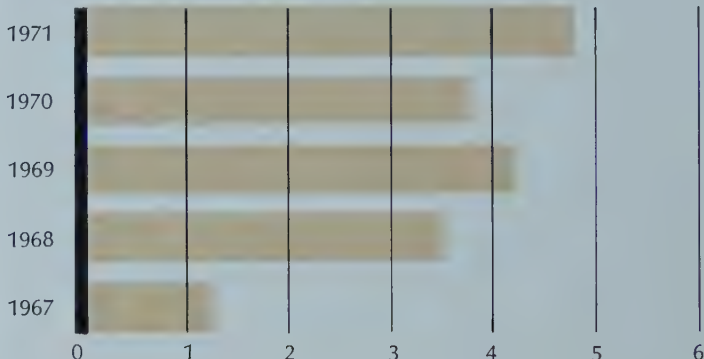
2. Load of drywall en route to construction site.

3. Materials storage area, Sperling Lumber.

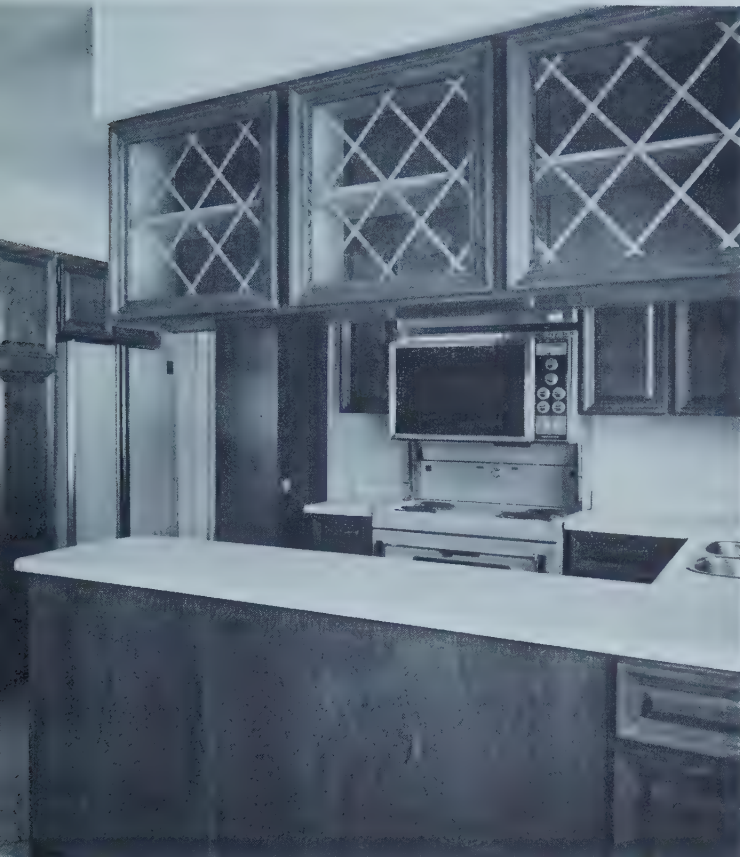


3

## GROSS REVENUES—Lumber







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4. Kitchen featuring Monocrest cabinets.

5. Assembly area in Monocrest Kitchens factory.

6. Manager Ian McFall (left) discussing requirements of retail customer at Cloverdale Lumber and Plywood.

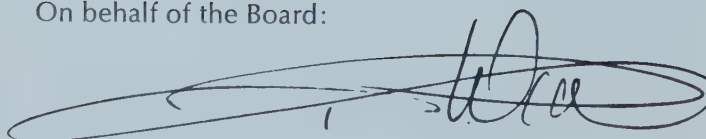


# Wall & Redekop Corporation Ltd. and Subsidiaries

Consolidated Balance Sheet as at July 31, 1971

ASSETS		1971	1970
Accounts receivable - trade .....		\$ 2,490,230	\$ 1,251,697
Sundry investments, at cost .....		70,118	85,475
Inventory - Note 2 .....		7,354,500	7,127,819
Prepaid expenses and deposits .....		103,505	52,534
Agreements receivable .....		380,746	765,924
Amounts receivable on agreements for sale - Note 3 .....		2,371,608	2,008,489
Income producing properties, at cost less accumulated depreciation .....		15,497,826	11,887,658
Fixed, at cost:			
Land .....	\$ 315,400		
Buildings .....	973,039		
Vehicles, machinery and equipment .....	549,800		
Office furniture and fixtures .....	65,470		
Leasehold improvements .....	51,074		
	1,954,783		
Less: Accumulated depreciation .....	500,769	1,454,014	1,826,530
Financing expenses, less amounts amortized .....		99,852	106,093
Goodwill - Note 4 .....		108,000	114,000
		<u>\$29,930,399</u>	<u>\$25,226,219</u>

On behalf of the Board:

 Director

 Director



## Wall & Redekop Corporation Ltd. and Subsidiaries

Consolidated Balance Sheet as at July 31, 1971

LIABILITIES		
	1971	1970
Bank indebtedness - secured - Note 5 .....	\$ 2,474,743	\$ 2,306,557
Accounts payable and accrued liabilities .....	3,786,522	1,947,184
Income taxes payable .....	239,385	819,941
Mortgage advances on construction in progress, and agreements payable .....	2,023,259	1,888,986
Mortgages on properties sold under agreements for sale - Note 6 .....	1,241,443	1,279,959
Mortgages on income producing properties - Note 6 .....	12,501,869	10,018,028
Sinking fund debentures - 8% - Note 6 .....	1,500,000	1,500,000
Deferred income taxes .....	1,780,182	1,158,781
Shareholders' advances .....	14,134	22,374
Minority interest .....	34,624	47,925
	<u>25,596,161</u>	<u>20,989,735</u>
SHAREHOLDERS' EQUITY		
Share capital - Note 7 .....	1,452,593	1,452,593
Retained earnings .....	2,881,645	2,783,891
	<u>\$29,930,399</u>	<u>\$25,226,219</u>

The notes to the consolidated financial statements are an integral part thereof.





# Wall & Redekop Corporation Ltd. and Subsidiaries

## Consolidated Statement of Net Earnings and Retained Earnings for the year ended July 31, 1971

	<u>1971</u>	<u>1970</u>
Revenue:		
Construction and land development .....	\$ 2,985,815	\$ 4,515,691
Lumber and building products .....	4,731,761	3,726,495
Farming .....	1,236,244	2,124,734
Rental .....	1,671,189	1,399,674
Real estate agency .....	1,720,886	1,730,600
	<u>12,345,895</u>	<u>13,497,194</u>
Cost of sales and operating expenses .....	10,295,087	10,919,503
Operating profit before the following charges .....	2,050,808	2,577,691
Interest .....	1,104,875	810,813
Depreciation .....	171,035	157,402
Directors' Salaries .....	184,200	96,000
	<u>1,460,110</u>	<u>1,064,215</u>
Operating profit .....	590,698	1,513,476
Less: Minority interest .....	11,555	57,864
Earnings before income taxes .....	579,143	1,455,612
Income taxes paid or payable .....	70,159	279,885
Income taxes deferred to future periods .....	228,096	450,000
Total income taxes .....	298,255	729,885
Net earnings for the year .....	280,888	725,727
Retained earnings - opening balance .....	2,783,891	2,058,164
	<u>3,064,779</u>	<u>2,783,891</u>
Less: Dividends .....	183,134	—
Retained earnings - closing balance .....	<u>\$ 2,881,645</u>	<u>\$ 2,783,891</u>
Earnings per share (based on 1,831,340 shares outstanding at July 31, 1970 and 1971) .....	<u>15c</u>	<u>40c</u>

*The notes to the consolidated financial statements are an integral part thereof.*



# Wall & Redekop Corporation Ltd. and Subsidiaries

Notes to the Consolidated Financial Statements as at July 31, 1971

## Note 1—General Information

The consolidated financial statements include the following wholly-owned subsidiaries:

Wall & Redekop Realty Ltd.  
Mt. Lehman Produce Ltd.  
Mount Lehman Farms Ltd.  
Redekop Bros. Farms Ltd.  
Pinecrest Poultry Farms Limited  
Southland Development Ltd.  
Cloverdale Lumber & Plywoods Ltd.  
Seafair Installations Ltd.  
Van Rich Holdings Ltd.

and an 80% interest in a partnership  
known as Redekop & Wall Apartments

The nature of the company's business is such that a statement of source and application of funds is not meaningful and accordingly such a statement has not been prepared.

## Note 2—Inventory

Inventory at July 31, 1971 was valued at the lower of cost and net realizable value and consisted of:

	1971	1970
Lumber and building products \$	480,977	\$ 410,616
Livestock .....	377,527	414,276
Real estate held for resale or development .....	3,550,798	3,461,122
Construction in progress ...	2,945,198	2,841,805
	<u>\$ 7,354,500</u>	<u>\$ 7,127,819</u>

It is the policy of the company to include in the value of construction in progress interest on borrowed funds and related real estate taxes.

## Note 3—Amounts Receivable on Agreements for Sale

These consist of balances due from sale of apartment buildings, which balances are secured by agreements for sale. The agreements bear interest at an average rate of 9¾% and are for terms of 20 to 25 years.

## Note 4—Goodwill

The company has adopted a policy of amortizing goodwill on a straight line basis over 20 years.

## Note 5—Bank Indebtedness \$2,474,743

The bank loans are secured by various combinations of the following:

- General assignment of book debts.
- An assignment of the proceeds from certain mortgage loans.
- Assignment of inventory under Section 88 of the Bank Act.
- Assignment of title deeds to certain property.
- The personal guarantees of certain directors.

## Note 6—Mortgage Advances and Debentures

	1971	1970
Mortgages payable on properties sold under agreements for sale, bearing interest at an average rate of 9¾% and maturing at various dates from 1971 to 1996	\$ 1,241,443	\$ 1,279,959
1st and 2nd mortgages payable on income producing properties bearing interest at various rates from 6% to 16% and maturing at various dates from 1971 to 1996 .....	12,501,869	10,018,028
Debentures 8% redeemable sinking fund debentures, Series A due April 14, 1987 ..	1,500,000	1,500,000
Total .....	<u>\$15,243,312</u>	<u>\$12,797,987</u>



## Wall & Redekop Corporation Ltd. and Subsidiaries

Notes to the Consolidated Financial Statements as at July 31, 1971

The company has covenanted to establish a sinking fund to retire principal amounts of Series A Debentures in each of the years 1975 to 1986 as follows:

- i) 1975 - 1979 ..... \$50,000 per annum
- ii) 1980 - 1986 ..... \$75,000 per annum

The debentures rank pari passu with each other and are secured by a floating charge on the company's undertakings, property and assets subject only to specifically mortgaged properties, such floating charge to permit dealings in the ordinary course of business and bank borrowings secured by specific charges or other collateral.

Attached to the debentures are warrant coupons entitling the holders at any time after April 15, 1971 and up to March 15, 1979 to six shares purchase warrants for each \$100 principal amount of Series A Debenture. Each share purchase warrant entitles the bearer to purchase one common share of the company at the price of \$6.00 per share from April 15, 1971 to April 14, 1974 and at \$7.00 per share from April 15, 1974 to April 14, 1979.

### Note 7—Share Capital

#### Common shares

Authorized 3,000,000 shares without nominal or par value

Issued and fully paid 1,831,340 shares \$1,452,593

- a) The trust deed for the debentures contains certain restrictions on the payment of dividends on the common shares.
- b) 90,000 common shares are reserved for the exercise of share purchase warrants - see Note 6.
- c) Common share options.
  - i) 80,000 common shares are reserved for options for full-time employees of the company.

These options, if granted, may be exercised at a price to be fixed with the consent of the appropriate regulatory body on the following schedule:

- 20,000 January 1, 1970 to December 31, 1971
- 20,000 January 1, 1971 to December 31, 1972
- 20,000 January 1, 1972 to December 31, 1973
- 20,000 January 1, 1973 to December 31, 1974
- ii) An option has been granted for 30,000 shares at \$6.00 which expires at October 31, 1971.

### Note 8—Commitments and Contingencies

- (a) The estimated additional costs to complete buildings under construction are \$750,000 (1970 \$2,800,000) for which mortgage financing has been arranged.
- (b) The company is on the covenant of certain mortgages assumed by the purchasers of properties sold by the company and its subsidiaries. It is considered unlikely that the company will become directly liable in respect of any such covenants.

### Auditor's Report

The Shareholders,  
Wall & Redekop Corporation Ltd.

We have examined the consolidated balance sheet of Wall & Redekop Corporation Ltd. and subsidiaries as at July 31, 1971 and the consolidated statement of net earnings and retained earnings for the year then ended. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion these financial statements present fairly the financial position of the company and subsidiaries as at July 31, 1971 and the results of their operations for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

*Touche Ross & Co.*

Chartered Accountants.

Vancouver, B.C.,  
October 8, 1971.



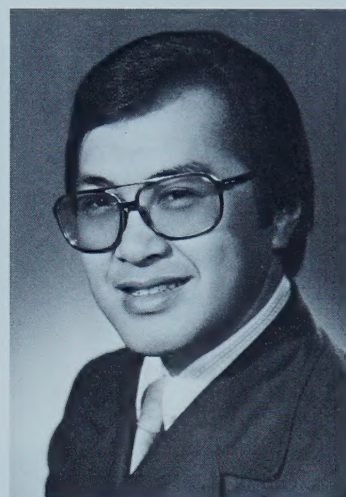
## Wall & Redekop Directors



PETER REDEKOP  
*Director and President*



PETER WALL  
*Chairman of the Board*



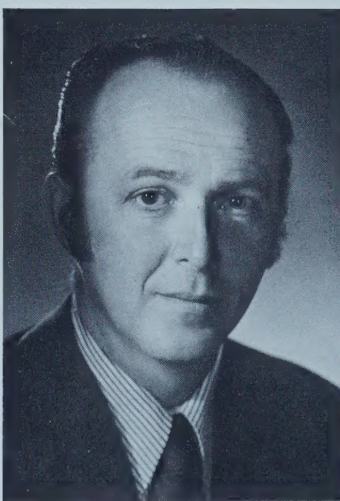
ROBERT LEE  
*Director and Realtor*



DAVID LAM  
*Director and Realtor*



JOHN REDEKOP  
*Director and Divisional  
Manager*



CLARE BALDWIN  
*Director, Secretary  
and Controller*

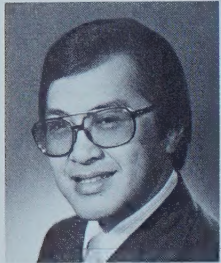


DOUGLAS McK. BROWN, Q.C.  
*Barrister and Solicitor  
Partner, Russell & DuMoulin*

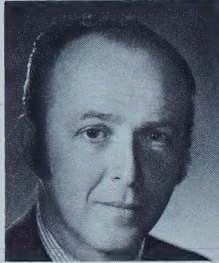


## Wall & Redekop Management Team

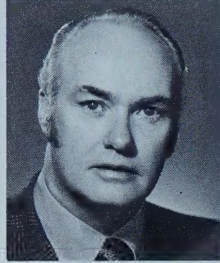
### Wall & Redekop Realty Ltd.



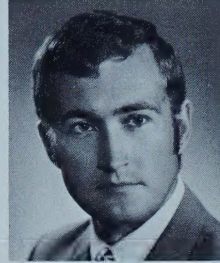
ROBERT LEE  
President



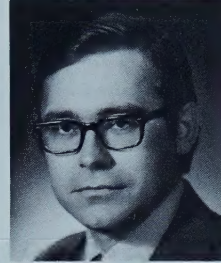
CLARE BALDWIN  
Corporation Controller



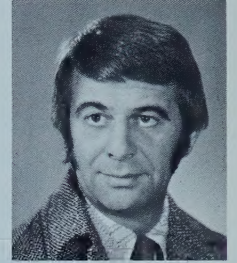
FRANK KEARNEY  
General Manager



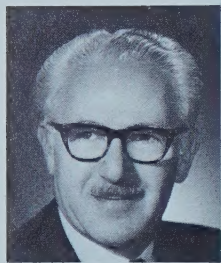
RON McRAE  
Properties Manager



DENNIS FACER  
Land Acquisitions  
Manager



JACK GARRISON  
Insurance Manager



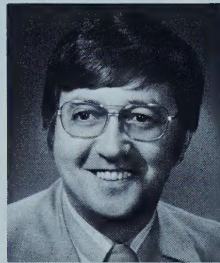
GERRY GOLDMAN  
Manager-Kingsway  
Office



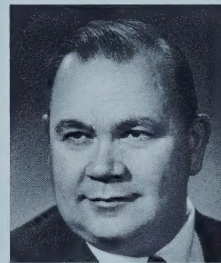
LLOYD EKHOLM  
Asst. Mgr.-Kingsway



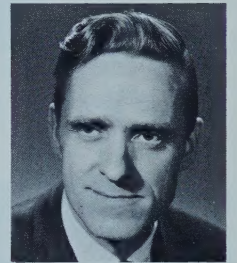
JIM ROGERS  
Manager-Richmond  
Office



RITCHIE FRANK  
Manager-Surrey Office



GORDON  
DELONG  
Manager-Haney  
Office

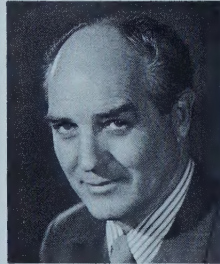


BOB HOGGARD  
Manager-North Van.  
Office

### Lumber & Building Products



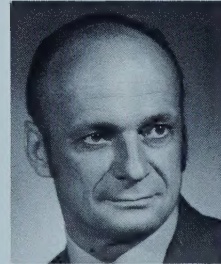
RON MORRIS  
Divisional Manager



JIM McDONOUGH  
Manager-Sperling  
Lumber

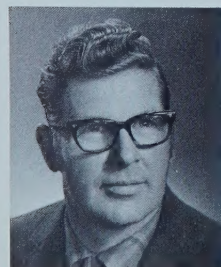


IAN McFALL  
Manager-Cloverdale  
Lumber & Plywood

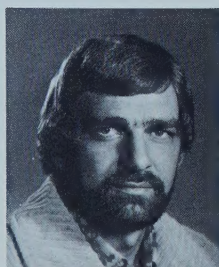


WALTER MYSEK  
Plant Foreman,  
Monocrest Kitchens

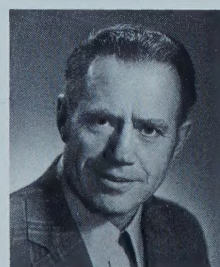
### Construction Division



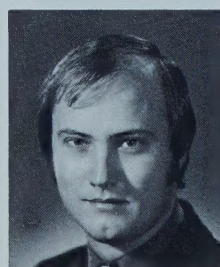
JIM TRAILL  
Construction Supt.



TED FRIESEN  
Construction Supt.

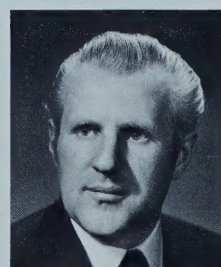


JOE BEITEL  
Construction Supt.



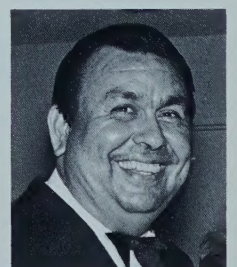
HILTON WATKINS  
Sub-Trades Co-  
ordinator & Draftsman

### Farms



JOHN REDEKOP  
Divisional Manager

### Hotel



JUAN VALENCIA  
Resident Host



# Wall & Redekop Service Centres

Wall & Redekop Corporation Ltd., 1070 West Broadway, Vancouver, B.C.

As a shareholder, you are part of the Wall & Redekop organization. When you have need of the services offered by Wall & Redekop, we suggest that you patronize your Company.

## Wall & Redekop Realty Ltd. Service Centres:

I.C.I. Division  
1070 West Broadway, Vancouver  
736-9111

Kingsway  
2443 Kingsway, Vancouver  
437-3771

Richmond  
809 Granville Ave.,  
273-4831

Surrey  
13696 - 104th Ave.,  
588-1221

North Vancouver  
1729 Lonsdale Ave.,  
985-0431

Haney  
22568 Lougheed Hwy.,  
Toll Free  
939-2404/  
463-8134

Abbotsford  
32624 South Fraser Way,  
112-859-7636

Property Management  
1070 West Broadway, Vancouver  
736-6771

Insurance Department  
1070 West Broadway, Vancouver  
736-9111

## Hotel Division

Wall & Redekop Motor Hotel  
898 West Broadway, Vancouver  
872-8661

## Lumber & Building Products Division

Monocrest Kitchens  
1061 River Road, Richmond  
273-4655

Sperling Lumber  
840 Sperling Avenue, Burnaby  
298-4177

Cloverdale Lumber & Plywood  
17848 - 56th Avenue, Cloverdale  
596-1515

## Farming Division

Mount Lehman Farms  
Mt. Lehman Road S., Abbotsford  
859-4861

Wall & Redekop Feeds Ltd., Abbotsford  
859-4861

Annual Meeting of Shareholders,  
10 a.m. November 30, 1971.  
Wall & Redekop Motor Hotel,  
Vancouver, B.C.

Transfer Agent & Registrar  
MONTREAL TRUST



